

### Commerce and Wealth Markets



# Finance - Economics

Mills Building, 15 Broad St.

Hanever 6514

Friday, May 25, 1917.

United States Steel common again monopolized the spotlight on the Stock Exchange, this time in the Liggest day's trading witnessed since February 1, when Germany unexpectedly threw things out of gear by announcing her campaign of ruthless submarine warfare. Transactions aggregated 1,581,000 shares, to which Steel contributed 419,700 shares while rising to a new high record of 134. The movement in steel is impressive, because of its bulk, but many other industrial issues are responding to the better sentiment which prevails in stock market circles. As a rule, however, they have not kept up with the pace set by Steel common. This great industrial stock has been more than a leader this time; it has overshadowed all other stocks in trading interest.

Outside buying, which usually develops on a rising market, was further encouraged by the news from Washington that several features of the war revenue bill to which objection had been made by numerous business interests would be removed and the total amount reised by taxation substantially reduced. The less drastic terms of the proposed income tax programme, particularly the reported decision to abandon the retroactive feature, is generally construed as a favorable factor so far as the stock market is concerned.

Shares, Day. 287,500 Monday 210,300 Tuesday 404,300 Wednesday. 389,800 Thursday 419,700 Friday	High. 12534 12738 12934 1311/2 134	1.0w. 1231/8 1243/4 1265/8 1281/4 1321/4	125% 1271/2 1273/2 1313/1 1335/1
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reached. This extraordinary distor- the twelve Federal districts are as foltien of prices naturally has brought about an unusual state of affairs in the steel market, so that neither buyers nor sellers have a clear grasp of the situation and outlook, and consequently prices have been made in a haphazard manner for some time past. "The Iron Age" presents an interesting discussion of the developments and possibilities in the steel market in its current issue. It says, in part:

At various times the mills have manifested a disposition to withdraw from the market, to be met by higher bids on the part of buyers, who admittedly have been moved more by their fears than by their judgment. When war became probable the buyers knew that the government would require large tonnages of steel, which could be obtained only by delaying deliveries to other customers. The majority of the buyers, jobbers and manufacturing consumers did not know that the demand upon them for their wares would increase, or even 58% cents. that it would be maintained. Fluctuations in the ordinary domestic demand for steel may easily represent a larger tonnage, however, than the quantity of steel required by the

It is well recognized that steel is not being bought by large investors in the proportion that usually obtains when the steel demand in general is heavy. The steel bought by the rank and file, for what might be London Money Market.—London, May 25.—Money was plentiful and discount rates were quieter. Money was quoted at 3½64 per cent. Discount rates were quieter. Money was quoted at 2½64 per cent. Discount rates were quieter. Money was quoted at 3½64 per cent. Discount rates were quieter. Money was quoted at 3½64 per cent. Discount rates were quieter. Money was quoted at 3½64 per cent. Short bills. 411-16 per cent; three months' bills. 42 per cent. Gold premium at Lisbon, 85.

The Dollar in Foreign Exchange

The Act that the United States government has taken over control of all outward movements of gold from the country contributed to the strength in spanish exchange yesterday, to \$11,967,981, an increase of \$2,279,381 over 1915. Net operating revenue amounted to \$4,451,760, an increase of \$1,216,517.

Of the increase in total operating revenue sity self-laneous freights. Passenger revenue amounted to \$4,451,760, an increase of \$1,216,517.

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The Act that the United States government has taken over control of all outward movements of gold from the country contributed to the strength in spanish exchange yesterday, peetal. called common everyday consump-

present mill prices is not yet reach ing them. At the beginning of las October the Steel Corporation was sold up on an average to approxi mately the present date. Other mills were in substantially the same post To the period of mill delivery must be added the period that elapse from the mill shipment to receipt of the finished product by the ultimate consumer. Thus the advance in stee prices that has occurred since Oc tober 1 is perhaps not the full meas the strain upon the economic resources of the people would be proportionately increased. If the middle interests, standing between the stee mill and the ultimate consumer, pu up their prices in proportion, as the necessarily must, the bill to be pair by the ultimate consumer will in trease in still greater measure.

Eventually he would be unable to stand the strain. The only question is when the limit would be reached.

The above rates express the cost of standpoin business. can dollar. You buy an English pound sterling at, say, \$4.75%. The intrinsic parity is \$4.85% per pound. Thus, you in respectively in the parity is \$4.85% per pound. Thus, you in respectively. At various times in the past it has seemed that the steel market had probably reached its limit, that the mills would not be able to do much more than empty their order books before a price readjustment would be forced. Thus far these various expectations are a proposed to further questioning say either that pounds are at a discount or that dollars are at a premium, which is owing to the fact that in the big cities of the country would in the demand for dollars with which to settle accounts in this country is greater than the demand in this country for pounds with which to settle accounts in England.

Expects to Remain Solvent

In response to further questioning Mr. Winchell said he considered the establishment of union ticket offices with which to settle accounts in the big cities of the country would in the demand in country is greater than the demand in the demand in the country for pounds with which to settle accounts in England.

of 1,700,000 shares. In the preceding week it sold as low as 115%.

The following table of transactions and the price range in Steel common for the first five days of this week indicate the interesting character of the movement:

Shares. Day. High Low. Close. Shares. Day. High Low. Close. 287,500 Monday. 12534 1231/8 12535 is not utilized.

Just issued by the American Rall-500,000 to \$69,375,000, to be offered to way Association. The special common stockholders of record July 10 at par. New York Edison. The report of this company for 1916 as compiled by the Public Service Commission shows a few days ago showing that there are about 2,408,000 freight cars in use in this country, and that on the use in this country, and that on the solution of increase of \$1,790,381 over 1915. Net in

withe money to	mived cor	THEFTHERE		
60 days	41/4@41/2	00	3	00
90 days			3	0/0
4 months	41/2@434	% 3	@31	4%
5 to 6 mos	4/2@474	% 31/4	@31	2%
Commercial I quieter yesterd holding at 5 pe ular maturities. Official rates	lay, but	with the bount of	he rest r	ate eg- of

lows:			***		
	-	_	—Da	ys	-
		(	ver	Over	Over
	15 6	or 1	5 up	30 up	60 up
					to 90
Boston		1/2	4	4	4
New York			4	4	4
Philadelphia			4	4	4
Cleveland				41/2	41/2
Richmond		_	4	4	4
				Ä	41/4
Atlanta			*	**	0.T/0.#
Chicago	. 3	1/2	4	4	41/2
St. Louis			4	4	4
Minneapolis			4	4	41/2
Kansas City			41/2	41/2	41/2
Dallas			4	4	41/2
San Francisco			4	41/2	41/2
Bank Clearings.	Т-	he	day'	s clea	ring

at New York and		Balances.
New York		\$38,902,643
Baltimore	6,063,442	804,731
Boston	33,948,255	7.179,876
Chicago	80,644,083	3,145,422
Philadelphia	54,840,169	5,575,336
St. Louis	23,068,645	5,050,887

Sub-Treasury. — New York lost to Sub-Treasury \$16,249,000

Silver.—Bars in London, 37% pence; New York, 74% cents; Mexican dollars,

Week's Money Currents, Known movements of the currency during the week indicate a heavy loss in cash by banks, estimated in excess o ooo,ooo. On dealings with the Federal Reserve Bank the local institutions lost a considerable amount of cash. On dealings with the interior there was a small gain.

Bank Clearings. Bank clearings at the principal cities of the country this week, as compiled by R. G. Dun & Co., amounted to \$4,984,217,887, an increase of 19.5 per cent compared with the corresponding week of last year.

rising to 22.10 cents, against 21.95 the day before and a normal value of 19.3 cents. Exchange brokers were of the opinion that if further shipments of gold to Spain are prevented pesetas will rise considerably higher. It is not believed, however, that exports to that country will be stopped absolutely, but that they will be carefully regulated. Other exchanges were quiet and showed relatively unimportant changes. Russian rubles closed a small fraction higher.

frightening off of investors, to threaten the future.

At the same time the common everyday buyers of steel must have their economic limit. They have not made the present market, as steel at make the present market.

t	Yesterday.	ago
5	(Quoted dollars to the pound.)	
	Sterling, demand \$4.75 %	\$4.75
	Sterling, sixty days 4.72	4.713
4 4	Sterling, cables 4.76%	4.76
	Sterling, ninety days 4.70	4.693
y.	(Quoted units to the dollar.)	
8	Francs, demand 5.721/2	5.73
1	Francs, cables 5.71/2	5.72
c	Lire, checks 7.021/2	7.01
	Lire, cables 7.01/2	7.00
1	Lire, Cables	5.12
-	Swiss, checks 5.08	5.11
	Swiss, cables 5.07	0.11
5	(Quoted cents to the unit.)	
	Guilders, checks 411/4	407

5	Marieman	Current	. 2
		exchange	
		value.	
	Pounds, sterling	. \$4.75 %	\$4.8658
e	Francs	0.17.5	0.19.3
1	Guilders		0.40.2
t	Rubles		0.51.2
	Lire, checks	0.14.2	0.19.3
i	Crowns (Denmark)	0.28.55	0.26.8
,	Crowns (Sweden)	0.29.95	0.26.8
*			

taxes was \$3,380,083, compared with \$3,407,521. For the ten months of the new fiscal year net after taxes amounted to \$44,024,828, against \$35,760,544 in the corresponding period of 1916, \$30,-258,755 in 1915 and \$26,982,817 in 1914.

Norfolk & Western.—Operating revenues last month totalled \$5,077,097, an increase of \$400,125 over April, 1946. Net income was \$1,605,531, a decrease of \$41,804 from a year ago. Net income of the road in the first four months of the current year amounted to \$6,774,675, a decrease of \$63,439.

New York Railways. Income state New York Railways.—Income statement for March shows a falling off in gross revenues of \$55,129, total earnings amounting to \$1,051,493. Operating expenses were \$75,445 greater than in March, 1916, and net income from operation, which totalled \$167,702, showed a decrease of \$142,640. After deducting interest requirements, rentals, etc., there was a deficit of \$62,959, compared with a surplus balance of compared with a surplus balance of \$77,002 a year ago. During the month there were 20,922,675 passengers carried, against 22,153,770 in 1916.

# Large Increase in Western Maryland

# Dividends Not At Stake in Rate Hearings

Large Increase in Revenues Admitted by Officials of Western Roads

Washington, May 25. - Counsel for purposes. value is outstanding, sold yesterday at on the carriers' petition for a 15 per cent increase in freight rates, sought to draw admissions that many of the roads could meet existing conditions without additional revenue from freight thriffs. They also undertook to show the commission, that recognized the commission that recognized the commission of the c railroad officials to-day at the Inter-

cost of \$6,000, and at that price were considered a good investment from the standpoint of advertising and good

Expects to Remain Solvent

New York Telephone.—For the month of March the company reports net operating revenue of \$1.835,505, an increase of \$230,786 over March, 1916.

For the first three months of the year net amounted to \$5,510,208, an increase of \$799,736.

Atchison, Topeka & Santa Fê. April gross earnings were \$13,269,739, compared with \$11,049,400 in the corresponding period of last year.

It was true that the volume of businers on the road was constantly increasing, but he was unable to give the percentage. He thought it possible the control of the conditions, the Chicago & Northwestern might have to call upon its surplus to pay dividends, saying they would not be reduced if he could help it.

Consul General E. Haldeman Dennison reports from Christiania, Norway, under date of May I, that a company has been former with a capital of about \$1,000,000 for utilizing the abundant representatives of special shipping interests.

Net surplus of freight cars ......

Gross rallroad earnings.....

Bank clearings ..... Commercial failures ......

# Merger of Oxygen Producers Is Denied

### Official Admits Consolidation of Union Carbide and Air Reduction Has Been Suggested

A merger of the Air Reduction Company with the Union Carbide Company is under negotiation, according to reports current in Wall Street yesterday. Both concerns are virtually in the same field, being engaged mainly in the manufacture of oxygen for commercial

value is outstanding, sold yesterday at

the commission that economies could be affected in railroad operations to increase revenues.

An official of the Air Reduction Collaboration plan pany denied that a consolidation plan was being worked out, but he admitted that a merger of the two companies had

"I have never been with a line where a dollar was more carefully conserved," The plants are located at Mr. Winchell replied.

The offices in New York, he said, were not what might be termed luxurious, but they were equipped at a cost of \$6,000, and at that price were considered a good investment from the control of the Searchlight Acetylene control of the Searchlight Acetylene control of the Searchlight Acetylene shipments will continue for several months at least, and in an increasingly brighted the Dutch leather, to oversee months at least, and in an increasingly large ratio. Informal overtures allowing to the shipment from the phases, from the slaughterer to the shoemaker. Choate & Prentice; Frederick W. Allen, of Les. Higginson & Co.; L. F. Loree, president of the Delaware & Hudson at large consignment of gold.

San Francisco to Japan next month of a large consignment of gold. Shipments are being made by bank. Shipments are being made by bank. Shipments are being made by bank.

### Carbon Steel Buys Control of Iron Co.

# Acquires Interest in Kittanning

### Significant Relations Money and Prices:

\$3,121,887,443 \$2.319,548,404 \$8,712,000,000 Loans of all national banks .... \$7,490,000,000 Total reserve (i. e., cash in national bank vaults and on deposit with 1,564,194,000 deposit liabilities of national banks. 10.8% \$145,023,000 \$71,995,000 Discounts of Federal Reserve banks. Their liability for notes, net...... Their gold reserve against deposits 24,648,000 and circulation ..... 66.2% The day before 109.83 Average price of 15 railroad stocks... 98.82 Average price of 12 industrial stocks. 97.67 Food cost of living (Annalist index Production: 11,711,644 Unfilled U. S. Steel orders, tons ..... 12,183,083 A year ago. 108,422 111,165 March. 104.862 Pig iron (daily average), tons ...... Active cotton spindles...... 33.259.895 33,233,072 32,113,441 1,012,000,000 Wheat crop, bushels..... 2.593.241.000 3.055.000.000 11,356,944 11,068,173 Distribution: Net shortage of freight cars.....

+ 11.5%

37.7%

## Flow of Gold to Japan Is a Puzzle To Government

### Officials Say Trade Balance Is Not Large Enough to Account for Exports

Washington, May 25.- Treasury of-Washington, May 25. — Counsel for Stock of the Air Reduction Company, ficials, engrossed in the farreaching shippers in cross-examining Western of which 120,000 shares without par programme of international financing ficials, engrossed in the farreaching

Gold exports to Japan within the last three or four weeks, it was stated authoritatively, have been \$10,000,000 and

through an attache of the embassy ers and consuming factories, shoehere, has approached officials of this makers and cook. government with a view to facilitating the transpacific movement.

seemingly large movement on the cording to London advices, that ground that it is to restore the balance in trade, and investigators are checking intention of repudating the silver intention of repudating the silver

### **Explains Movement** Japan's withdrawal of gold from the

United States was explained yesterday at the Yokohama Specie Bank in Nev York as being "purely for adjustment of trade balance," and without any London Cheered by Italian War News. further significance. It was pointed out that the war has made Japan a great creditor nation, that her exports greatly exceed imports, and that the movement of gold has been made imperative by abnormal commercial conditions.

In banking circles the opinion pre-vails that Japanese bankers have been grawing down their reserves in this country to meet increased expendi-tures at home, where reserves could be put out at better interest returns. The Japanese government and bank-ing interests in Japan, it is under-stood, have made heavy loans to Rus-sia, while further loans to that country and to France and China are im-

### Marine Insurance Rates Are Lowered

An optimistic feeling over the success reported to have been attained in the last two weeks in combating the submarine menace has resulted in a sharp

### Condition of French Crops The French Minister of Agriculture

has issued a statement showing the condition of the French crops on April 1, 1917, compared with the same date last year. The statement is based on the following figures: 100 indicates very good; 80, good; 60, fairly good; 50, fair; 30, poor, and 20, bad.

The indicated condition of various crops compared with a year ago followed. crops compared with a year ago fol-

Wheat, winter ..... Speit
Rye
Barley, winter...
Oats, winter...

30,607

# The Liberty Loan

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# Reflexes of War

tober 1 is perhaps not the full measure of the advance the ultimate consumer must pay over prices he is paying now. Of course, there are exceptions, but in terms of the total finished steel output, which is now about 3,000,000 net tons a month, the advance is equal to \$100,000,000 on a month's output, as the steel advance is equal to \$100,000,000 on a first there are to be further advances in the neighborhood of \$33 a net ton in the engilborhood of \$33 a net ton in the extrain upon the economic restrict of the strain upon the surface of the two companies listed them suggested.

B. L. Winchell, director of traffic of the Union Pacific to the unit.)

B. L. Winchell, director of traffic of the Union Square company was organized a little strain them cannot the strain upon the surface of the two company and company and company and company the extense and the strain upon the surface of the t Since May 1 any one in Holland wish-There is every indication that the big shipments will continue for several months at least, and in an increasingly the Dutch leather industry in all its

> president of the Delaware & Hudson
> Company; Walter W. Birge and Ambrose Monell.
> James N. Wallace, president of the
> Central Trust Company, and Nicholas
> F. Brady are directors of the Union
> Carbide Company.
>
> a large consignment of gold.
> Shipments are being made by banking interests with the full knowledge of the Japanese government. In at least one instance the Japanese government, through an attaché of the embrance of the company.
>
> clubs), and tanners must be registered with the Distribution Bureau. The Minister of Agriculture, Industry and Commerce fixes a maximum price which the slaughterers may charge for their bidges. In turn, the maximum price which the tanners can charge the deal-In reply to questions in the Reich-

Officials here cannot account for the emingly large movement on the cording to London advices, that round that it is to restore the balance the German Government had the This week's movement in Store common his been anomaly late common his been amountly first common his been are common his been a mutually late and the property of the amount of the property first common his been as the common his been are common his been an unablance where the property first common his been are common his been an unablance where the property first common his been are common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been an unablance where the property first common his been and the property first common his been the common his been and the property first common his been always and the property first common his been and the property first first first common his been and the property first firs

# News Digest

Foreign

London, May 25.-Good Italian war news had a further cheering effect on the Stock Exchange to-day, and enabled the market to close strong, with numerous gains on the week. Gilt-edged seous gains on the week. Gilt-edged se-curities were prominent. The sup-ply of stock was short, and, with few sellers about, this caused a steady hardening of values. Similar conditions prevailed in Allied bonds and Brazilian issues, while shipping shares improved on good White Star and Royal Mail reports. American securities were quietly steady and higher. Paris Bourse. Paris, May 25 .- Trad-

ing was quiet on the Bourse to-day. Three per cent rentes, 61 francs 25 centimes for cash; exchange on London, 27 francs 18 centimes; 5 per cent loan, 87 francs 80 centimes.

### Other Cities

Security Company Authorized.-Albany, May 25 .- The Commercial Security Company, Inc., with principal ofdecrease in war risk insurance on outbound vessels to the United Kingdom in the London market, according to local underwriters. A general reduction of about 33 1-3 per cent from the higher quotations of early May is said to have taken place, and in some instances a company proposes to acquire by purreduction of 50 per cent was recorded. fice in New York City, has been authorcompany proposes to acquire by pur-chase, notes or other obligations given in payment of articles, such as pianos, automobiles, etc., or the amounts due under contracts executed in connection with the purchase of such articles. The

> Legislature in a special message to-1917. 1916. day that unless a bill to relieve the financial condition of the Boston Ele-financial condition of the Boston Ele-son as to strike out the section provid-ril ing for the purchase by the state of stock. Preferred dividend is particular to the Cambridge subway at \$9,000,000, he would veto it. The bill had passed the mon August 21 to stock of precent passed in the cambridge subway at \$9,000,000, he would veto it. The bill had passed the mon August 21 to stock of precent passed in the cambridge subway at \$9,000,000, he would veto it. The bill had passed the mon August 21 to stock of precent passed in the cambridge subway at \$9,000,000, he would be a subway at \$9,000,000 at \$1.000 a

# U. S. LIBERTY LOAD

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25 els. Empire Portland Cement Co
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For Account of Guardian.

20 shs. Chic., Rock Island & Pac. Ry.
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For Account of Whom It May Concen.

520,000 The North Augusta Land Co. ist
Mtg. 6% Gold Bonds.
28 shs. Barland Realty Co.
100 shs. Weyman-Bruton Co. common.

mon.
200 shs. Chalmers Motor Corp. common Temporary Ctfs.
\$12,000 Mexican Light & Power Co. Ist
Mig. 5% Gold Bds. 1931, Comm.
Receiptis.
100 shs. Mexican Light & Power Co. 20 she Mexican Light & Power Co.

\$33,000 Great Lakes Coal Co. 1st Ntg. 5% S. F. Bdz., 1944 Oct., 1912, cou-\$57,500 Lackawanna Real Estate Co 45 Convt. Bda. 1919, Apl., 1912, 10,000 shs. Colonial Silver Mines Co. 100 shs. Mutual Trust Co., Orange

\$50,000 Mutual Trust Co., Orange, N. J.

\$50,000 Mutual Trust Co., Orange, N. J., Ctf. of Deposit.
\$23,691.28 Mutual Trust Co., Orange, N. J., Ctf. of Deposit.
\$50,000 Mutual Trust Co., Orange, N. J., Ctf. of Deposit No. 211.
\$50,000 Mutual Trust Co., Orange, N. J., Ctf. of Deposit No. 218.
240 sha Ann Arbor R. R. prefd.
175 sha Ann Arbor R. R. prefd.
175 sha Ann Arbor R. R. commen.
110 sha Colorado, Wyoming & Eastern Ry. common V. T. C.
\$30 sha Colorado, Wyoming & Eastern Ry. 1st Refdg. \$5 Bds., 135.
July, 1917, coupen on.
\$57,000 Colorado, Wyoming & Eastern Ry. Genl. Mug. & East

Senate and was pending to-day in th n- of freedom of publication, and by a roundabout road the government of tices are creating quite a new kind of censorship."

Export of uncut diamonds from France through the post to all Allied and neutral countries, with the exception of Switzerland, has been authorized.

The Governor explained that he toe this unusual action because if he wait the toe for the bill to reach him, it would unnecessarily prolong the session, which is expected to close to-night. He said the purchase of the subway would be unwise at this time, and might commit the State to the later purchase of the entire railway system.

C. M. Loeb was elected president of the American Metal Company yesterday, to succeed B. Hochschild, who was elected chairman of the board of di-

Corporation Returns Grand Trunk Railway of Canada 

Grand Trunk Western March gross ..... 257,150 Deficit ..... 5,150

Atlantic, Gulf & West Indies Ste

Total income
Less interest on bonded
debt, rentals & other
deductions, paid or
accrued
Net income

Dividends

Il payable June 30 to stock of terms Company.—Regular quiend of 21 per cent, payable stock of record June 11.